



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

August 24, 2006

The Honorable Tom Horne
Superintendent of Public Instruction
Arizona Department of Education
Executive Officer
Arizona State Board of Education
1535 West Jefferson Street
Phoenix, AZ 85007

**Subject: Sterling Academy of Mathematics and Science
DBA Bright Ideas Charter School**

Dear Mr. Horne:

This letter is to inform you that we have not received Sterling Academy of Mathematics and Science d.b.a. Bright Ideas Charter School's audit reports and Uniform System of Financial Records Compliance Questionnaire for Arizona Charter Schools for the year ended June 30, 2005, which were due by March 31, 2006.

In addition, the School is currently in noncompliance for nonsubmission of its audit reports and questionnaire for the year ended June 30, 2004, and for internal control deficiencies based on our review of the School's audit reports and questionnaires for the years ended June 30, 2002, and June 30, 2003.

Further, to date, we have not received a copy of the School's proposed audit contract for the year ended June 30, 2005, for approval. To comply with Arizona Revised Statutes, the School is required to send us a copy of its proposed audit contract for our approval before the contract is signed and the audit begins.

If you have questions concerning this matter, please call Magdalene Haggerty, Accounting Services Director, or Gregg Rickert, Accounting Services Manager, at (602) 553-0333.

Sincerely,

Debra K. Davenport
Auditor General

DKD/MH/gr

cc: Board of Directors
Beth Brantley, Principal
Sterling Academy of Mathematics and Science
DBA Bright Ideas Charter School
Governing Board
Peach Springs Unified School District No. 8
Vince Yanez, Executive Director
Arizona State Board of Education
Vicki G. Salazar, Associate Superintendent of Financial Services
Arizona Department of Education